

REMARKS/ARGUMENTS

Claims 1-25 are pending in the application.

Claims 20 and 23-25 were amended to correct typographical errors.

Claims 1-25 were rejected under 35 U.S.C. §102(e) as being anticipated by Puri et al, U.S. Patent No. 6,148,026 (hereinafter "Puri").

Claim Rejections Under 35 U.S.C. §102(e)

Claims 1-25 were rejected under 35 U.S.C. §102(e) as being anticipated by Puri. Puri generally discloses coding video data with enhanced functionality by coding video data as base layer data and enhancement layer data. (See Abstract). Applicants respectfully submit that Puri fails to disclose all the elements of claims 1, 7, 13, and 20, as amended.

Puri does not disclose excluding at least one sub-step from execution during an encoding pass for which that sub-step is unnecessary. Puri states:

In the second condition, a particular image may have been coded using too fine a mesh given the uses for which the VOP decoder 250 is decoding the data. That is, too many nodes may have been defined to encode the image. The controller 264 may cause the VOP encoder 210 to recode the image using fewer mesh nodes and, therefore, reduce the channel bitrate.

(See Puri, col. 5, lines 13-20).

6 (In other words, Puri discloses reducing the number of mesh nodes produced by the encoding pass, rather than reducing the number of sub-steps taken by that encoding pass. The number of mesh nodes produced by the encoding pass can be reduced independent of the number of steps taken. Puri focuses on the product of the encoding passes and not the process of the encoding pass. Applicants respectfully submit, therefore, that elements of claim 1, 7, 13, and 20 as amended, are neither shown nor suggested by the cited reference. Claims 2-6, 8-12, 14-19, and

21-25 depend from and further define claims 1, 7, 13, and claim 20, respectively. Accordingly reconsideration and withdrawal of the rejection of claims 1-25 under 35 U.S.C. §102(e) is respectfully requested.

For all the above reasons, the Applicant respectfully submits that this application is in condition for allowance. A Notice of Allowance is earnestly solicited.

The Commissioner is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. §1.16 or §1.17 to Deposit Account No. **11-0600**.

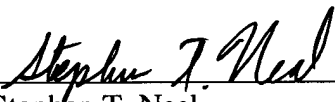
The Examiner is invited to contact the undersigned at (408) 975-7500 to discuss any matter concerning this application.

Respectfully submitted,

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By: _____


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